

**AGREEMENT REGARDING DISTRIBUTION OF  
CAYUCOS FIRE PROTECTION DISTRICT  
FIRE SPECIAL TAX AND PROPERTY TAXES**

This agreement, entered into on February 7<sup>th</sup>, 2013 by and between the County of San Luis Obispo (hereafter "County") and the Cayucos Fire Protection District (hereafter "District"),

**WITNESSETH,**

**WHEREAS**, the County, through its Tax Collector, collects all general and special property taxes levied upon residents of the District; and

**WHEREAS**, the County, through its Auditor, is responsible for distribution of collected amounts of said taxes pursuant to the provisions of California law; and

**WHEREAS**, one of the taxes levied upon residents of the District is a special tax levied for the exclusive purpose of providing fire protection and emergency medical services within the District (hereafter the "Fire Special Tax"); and

**WHEREAS**, in the past, the Fire Special Tax was processed as follows: (1) the County collected the tax, and (2) the County then distributed 100% of the tax collections to the District; and

**WHEREAS**, in the past, the General Property Tax from the tax collected within the District was processed as follows: (1) the County collected the tax, (2) the County then distributed 100% of the tax collections to the District; and

**WHEREAS**, the County Auditor, with approval from the Board of Supervisors, has been authorized to enter into a line of credit agreement and promissory note (hereafter, collectively, "Loan Agreement") in the principal amount of up to \$250,000 for the benefit of the District in order to ensure continuation of fire protection and emergency medical services in the District without interruption; and

**WHEREAS**, the parties have agreed to simplify the process of the District's annual repayment to the County under the terms of the Loan Agreement by entering into an agreement to alter the distribution of the Fire Special Tax and the General Property Tax, as set forth herein; and

**WHEREAS**, the proposed agreement satisfies the requirements of Government Code Section 23010; and

**WHEREAS**, the proposed agreement would benefit the residents of the District by ensuring that fire protection and emergency medical services are provided without interruption, and the proposed agreement would benefit all residents of the County by ensuring that the District's obligation to the County is satisfied on an efficient and timely basis;

**NOW, THEREFORE**, the County and the District agree as follows:

1. The District and the County hereby agree to the following distribution of the Fire Special Tax amounts collected by the County:
  - (a) The County, through its Tax Collector, shall collect the Fire Special Tax from those parties subject to the tax;
  - (b) Prior to distribution, the County shall withhold an amount equal only to the annual loan repayment due to the County for the current fiscal year, as specified in the Loan Agreement; and

- (c) The County shall promptly distribute the remainder of the Fire Special Tax collected to the District.
2. The District and the County hereby agree to the following distribution of the General Property Tax amounts collected by the County;
- (a) The County, through its Tax Collector, shall collect the General Property Tax from those parties subject to the tax within the District;
- (b) Prior to distribution, the County shall withhold an amount equal only to the remaining balance due to the County for the current fiscal year for which there was insufficient Fire Special Tax to make full repayment of the amount due to the County, as specified in the Loan Agreement; and the County shall distribute the remainder of the General Property Tax collected to the District,
3. The District and the County hereby agree that this agreement regarding the distribution of the Fire Special Tax and the General Property Tax shall be identical to the terms identified in the Loan Agreement between the District and the County.

IN WITNESS WHEREOF, the parties have executed this agreement, as of the date first set forth above.

CAYUCOS FIRE PROTECTION DISTRICT

By: 

Bill Shea-Director  
Printed Name and Title

Authorized by Action of its Board of Directors on:

2/7/13  
Date

APPROVED AS TO FORM AND  
LEGAL EFFECT:

Reviewed By: Michael Seitz-Attorney 02-01-2013  
Printed Name and Title Date

ATTEST:

By: 

Lori Mozden-Secretary  
Printed Name and Title

2-7-13  
Date

COUNTY OF SAN LUIS OBISPO

By: \_\_\_\_\_

\_\_\_\_\_  
Printed Name and Title

Authorized by Action of its Board of Supervisors on:

\_\_\_\_\_  
Date

APPROVED AS TO FORM AND  
LEGAL EFFECT:

L.  
RITA NEAL  
County Counsel

By: 

Nina Regranti, Chief Deputy  
Printed Name and Title

2/14/13  
Date

ATTEST:

JULIE RODEWALD  
County Clerk and  
Ex-Officio Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

\_\_\_\_\_  
Date